

UNIVERSITI TEKNOLOGI MARA

**THE EFFECT OF AUDIT COMMITTEE
EFFECTIVENESS ON AUDIT REPORT
DELAY: AN EXAMINATION ON SHARIAH
COMPLIANT COMPANIES**

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ABSTRACT

This study examines the relationship between audit committee effectiveness and the audit report delay among the Shariah-Compliant companies which focus on audit committee independence, audit committee meeting and audit committee expertise. Furthermore, this study also looks at the relationship between the size of the company and the financial year end on the audit report delay. The data are collected using content analysis from annual report for 507 companies from year 2006 until 2008. The audit report delay form 2006 to 2008 is between 40 to 141 days. This study uses multiple regression analysis. The findings show that audit report delay will be longer for companies with higher number of audit committee meetings and will be shorter for larger companies besides having more financial expert in audit committee members. The result also finds that the composition of non-executives directors in audit committee and financial year-end does not give any significant influence to the audit report delay.

Keyword: Audit committee effectiveness, audit report delay, Shariah-Compliant Companies

TABLE OF CONTENTS

TITLE PAGE	
ABSTRACT	iii
ACKNOWLEDGEMENT	iv
TABLE OF CONTENTS	v
LIST OF TABLES	ix
LIST OF FIGURES	x
LIST OF APPENDICES	xi
LIST OF ABBREVIATIONS	xii

CHAPTER ONE: INTRODUCTION

1.1	Introduction	1
1.2	Background of the Study	5
1.3	Statement of the Problem	7
1.4	Research Objectives	9
1.5	Scope of the Study	9
1.6	Significance of the Study	10
1.7	Organization of the Study	12
1.8	Chapter Summary	13

CHAPTER TWO: LITERATURE REVIEW

2.1	Introduction	14
2.2	Agency Theory	14
2.3	Audit Report Delay	16
2.4	Audit Committee Effectiveness	20
	2.4.1 Roles of Audit Committee	21
	2.4.2 Audit committee and Malaysian Code of Corporate Governance	22
2.5	Audit committee and audit report delay	
	2.5.1 Audit Committee Independence and Audit Report Delay	23
	2.5.2 Audit Committee Expertise and Audit Report Delay	24
	2.5.3 Audit Committee Meeting and Audit Report Delay	25
2.6	Company Size	26
2.7	Financial Year end	28
2.8	Chapter Summary	29

CHAPTER THREE: RESEARCH METHOD

3.1	Introduction	30
3.2	Research Design	30
3.3	Population and Sample of the Study	31
3.4	Theoretical Framework	32
3.5	Hypotheses Development	34
3.5.1	Pre and Post Revision MCCG 2007	35
3.5.2	Audit Committee Effectiveness	35
3.5.3	Company Size	36
3.5.4	Financial Year End	37
3.6	Measurement Procedure	37
3.6.1	Measurement of dependent variable	39
3.6.2	Measurement of independent variables	
3.6.2.1	Pre and Post Revised MCCG 2007(YEAR)	39
3.6.2.2	Audit Committee Independence (ACIND)	39
3.6.2.3	Audit Committee Meeting (ACMEET)	40
3.6.2.4	Audit Committee Expertise (ACEXP)	40
3.6.2.5	Company Size (SIZE)	40
3.6.2.6	Financial Year End (FYE)	41
3.7	Statistical Analysis	41
3.7.1	Descriptive Statistic	41
3.7.2	Test of Normality	42
3.7.3	Paired T-Test	42
3.7.4	Multicollinearity	43
3.7.5	Correlation Analysis	43
3.7.6	Multiple Linear Regression Analysis	44
3.8	Chapter Summary	45

CHAPTER FOUR: ANALYSIS AND RESULTS

4.1	Introduction	46
4.2	Descriptive Analysis	46
4.2.1	Frequency Analysis	50
4.3	Test of Normality	52
4.4	Paired T-Test	54